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Settlement and Trade

341 347 The foreign population of the city, swollen to 100 in 1843 by the presence of British troops, fell to 50 in 1844, but by 1849 had risen to 175 traders, missionaries, and consular staff, who built the first Settlement roads, following the small winding creeks. The first foreign buildings were mainly godowns (warehouses) and residences combined in one large establishment within two-or-three-acre compounds along the landward side of the Whangpoo Bund. No foreign architects were available, and the plans were drawn by the merchants and modified by Chinese builders to fit local materials and Chinese techniques, so that the resulting structures were of the simplest design.

On the river side of these compounds was a perfectly square bungalow-type building which contained bedrooms, mess hall, and offices. In order to shut out the summer sun and keep the inside as cool as possible, the stamped earth or native sun-dried brick walls were at least three feet thick and plastered or stuccoed in white on the outside, while an open verandah with wide arches ran around the outside of the first two stories. Overhanging roofs shielded the two or three upper stories. In the rear of the compound were usually four or five godowns (for the different trade goods), dwellings for the Chinese assistants, the residence and office of the compradore* (the chief Chinese assistant or agent), and the

441 *The compradore was a treaty port institution which epitomized the hybrid economy and business order produced where China and the West met. It originated with the Portuguese in the East Indies in the sixteenth century, who supplied the term. In the China treaty ports, the compradore was usually a banker or merchant who was acquainted not only with the China market and with indigenous business methods and conditions, but had also learned enough from and about the foreigners to be an invaluable aid. He usually had his own Chinese staff, and guaranteed their honesty by his personal and verbal bond, in the Chinese tradition, but in keeping with Western usage also deposited a cash security with his employing firm. He was paid a fixed salary, plus a commission, and was seldom in want of funds. More than once a foreign firm was saved from bankruptcy by the generosity of its compradore. Such men were highly respected by the foreign community as shrewd and scrupulously honest business men, and as friends. Their standing in the Chinese community depended on the prevailing attitude toward the foreigners (see pp. 25–7 above). As a group they were quick and apt students of Western civilization in all of its practical aspects, and from their number was recruited a majority of modern China's political and economic leaders (among them, T. V. Soong and H. H. K'ung) until the final success of the Communist revolution. By about 1930 most

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stables.[20] Within a few years bricks began to arrive in ballast from England, and the brick work prominently displayed in verandah arches facing the Bund provided an indication of the search for Chinese markets for foreign goods in return for China's wealth of tea and silk. This architectural style, common to all the nineteenth-century treaty ports in central and south China, was wittily and fittingly christened the "Compradoric," for it was a necessary blend of Chinese with foreign methods.

The larger foreign firms had two or three partners and eight or ten foreign clerks, plus fifty or sixty Chinese staff (with families), all living in the compound. Among the foreigners there was a notable preponderance of Scots, including the partners of Jardine, Matheson, Ltd., the largest trading firm in Shanghai and known universally as "the muckle house." Apparently the enterprise of these perennial pioneers had conquered Shanghai as it had conquered London. William Jardine, the firm's founder, had been a surgeon on one of the East India Company's ships trading to Canton. He found trading more profitable than healing, and in 1828 persuaded his compatriot James Matheson to join him in his new company at Canton. A Jardine ship carried the first cargo of "free" tea from Canton after the old Company's monopoly was removed by Act of Parliament in 1834. William Jardine was said to keep only one chair (his own) in his office, to encourage his clients to state their business and leave.*

All the large foreign trading firms were divided into six departments: 1. tea; 2. silk; 3. "Manchester goods" (predominantly cotton piece goods); 4. shipping and insurance (understandably a profitable enterprise); 5. land and house agency; 6. "muck and truck" (all the other trade goods, which seldom amounted together to more than 5 per cent of any firm's total goods transactions).† Each

foreign firms in Shanghai found compradores no longer necessary as employed agents. By that time the compradores had taught them almost as much as they had unwittingly taught the compradores.

* See Greenberg, British Trade, for a detailed account of the history and operations of this and other private firms in the Canton trade, based on contemporary letters and business records.

† Until 1890, overseas exports in this category were primarily hides, leather, bristles, horsehair, China grass, and art objects; imports, aside from opium and textiles, were largely limited to hardware, cotton yarn (for Chinese household and small-scale industry), and machinery.